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ARTHUR BLOOSTON 1914 – 1999 August 17, 2017

VIA ECFS

Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: Notice of *Ex Parte* Presentation in CC Docket No. 16-363

Petition of AT&T Services, Inc. for Forbearance Under 47 U.S.C. §160(c) from

Enforcement of Certain Rules for Switched Access Services and Toll Free Database Dip

Charges

Dear Ms. Dortch:

On August 15, South Dakota Network, LLC (SDN) met with Pam Arluk; Victoria Goldberg; Edward Krachmer; Irina Asoskov; Gil Strobel; Lisa Hone; and Greg Capobianco of the Wireline Competition Bureau's Pricing Policy Division. Mark Shlanta, CEO; Nancy Johnson, VP; Mary Sisak, counsel; Sal Taillefer, counsel; and the undersigned attended the meeting on behalf of SDN. In the meeting, SDN addressed the *ex parte* presentation made by James Valley Cooperative Telephone Company (JVC) and Northern Valley Communications, LLC (NVC) on August 4, 2017 in the above-referenced proceeding, and provided additional clarification on its position on the AT&T petition.

First, SDN detailed its view that JVC and NVC's *ex parte* demonstrates an attempt to use Commission rules, the Communications Act, and allegations of state law violations to establish a transport monopoly at their tariffed rate for interexchange traffic. SDN pointed out that this position, clearly articulated by JVC and NVC for the first time before this agency, is contrary to the Commission's interpretations of the Communications Act and cannot withstand scrutiny. In support of its position, SDN noted that CLECs, like NVC, lack the right to determine how traffic

is routed in the first instance,¹ and clarified that CLECs may be required to accept direct trunking services provided by IXCs,² contrary to the assertions in JVC and NVC's *ex parte*.

Second, SDN provided additional information regarding alternatives to a complete grant of AT&T's petition for forbearance discussed in previous *ex partes*. Specifically, SDN demonstrated that the Commission has the authority to grant partial forbearance with conditions, such as when it partially granted USTelecom's petition for forbearance from certain equal access and dialing parity requirements 2015. There, the Commission granted forbearance but required carriers, of its own accord, to continue to provide the services in question on a grandfathered basis to a specific subset of customers.

Finally, SDN provided the Commission with additional information regarding its 214 authorization. In particular, SDN noted that its 214 authorization does not limit the company to the provision of centralized equal access alone.⁴

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS. If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

Benjamin H. Dickens, Jr.

Counsel to South Dakota Network, LLC

CC: Pamela Arluk

Edward Krachmer

Irina Asoskov

Gil Strobel

Lisa Hone

Greg Capobianco

Victoria Goldberg

¹ In Re: Access Charge Reform, Reform of Access Charges Imposed by Competitive Local Exchange Carriers, 16 FCC Rcd. 9923 (FCC 2001) at ¶ 92.

² Northern Valley Communs., L.L.C. v. AT&T Corp., 2017 U.S. Dist. LEXIS 45364 (D.S.D. Mar. 28, 2017), citing In Re: Access Charge Reform, PrairieWave Petition for Waiver, 23 FCC Rcd 2556 (FCC 2008) at ¶27.

³ In Re: USTelecom Petition for Forbearance, 31 FCC Rcd 6157 (FCC 2015) at ¶53-54.

⁴ In Re: Application of SDCEA, Inc, 5 FCC Rcd 6978 (FCC 1990) at ¶4.